REMARKS

Reconsideration of the instant application is respectfully requested. The present amendment is submitted in conjunction with a Request for Continued Examination (RCE) and is responsive to the Final Office Action of September 3, 2008, in which claims 1-8, 17-24 and 33-40 are presently pending. Of those, claims 1-5, 8, 17-21, 24, 33-37 and 40 are now rejected under 35 U.S.C. §103(a), as being unpatentable over the presentation publication entitled "Content Protection for Recordable Media", IMA Talks, February 16, 2001, of Pestoni, in view of U.S. Patent Publication 2002/0184259 of Akishita, et al., and U.S. Patent 6,438,235 to Sims, III, and further in view of U.S. Patent 7,310,732 to Matsuyama, et al. In addition, claims 6, 7, 22, 23, 38 and 39 are rejected under 35 U.S.C. §103(a), as being unpatentable over Pestoni, in view of Akishita, Sims, III, and Matsuyama, and further in view of U.S. Patent Publication 2005/0100161 of Husemann, et al. For the following reasons, however, it is respectfully submitted that the application is now in condition for allowance.

As an initial matter, various specification paragraphs have been amended as set forth above to correct informalities discovered therein. With respect to paragraph [0039], the broadcast encryption module 230 is depicted in Figure 2, and thus no new matter is added in this regard.

With regard to the outstanding §103 rejections of record, claim 1 has been amended as set forth above to more specifically recite that at least one of the encrypted content keys embedded on the physical media comprises a <u>deferred</u> key, in that content associated with the deferred key may be played <u>without contacting the web service</u> <u>provider</u>, thereby establishing a <u>credit transaction</u> with respect to the viewing of the content associated with the deferred key. Support for this amendment is found at least in paragraphs [0045]-[0051] of the specification.

As none of the references of record, either alone or in combination, teach this claimed feature, it respectfully submitted that each of the outstanding §103 rejections of the remaining pending claims have now been addressed and overcome. In particular, with regard to paragraph [0037] of Husemann, that Applicants note that any teaching of a credit card transaction is linked with a communication with a service provider in order to receive the content keys. In other words, Husemann fails to teach the concept of a deferred key that is capable of playing content associated with the deferred key may be played without contacting the web service provider, thus establishing credit transaction in this regard.

Finally, the Applicants respectfully reserve the right to pursue the subject matter of cancelled computer program product claims 17-24 and system claims 33-40 in one or more continuing applications.

For the above stated reasons, it is respectfully submitted that the present application is now in condition for allowance. No new matter has been entered. However, if any fees are due with respect to this Amendment, please charge them to Deposit Account No. 09-0441 maintained by Applicants' attorneys.

Respectfully submitted, JEFFREY B. LOTSPIECH, ET AL.

CANTOR COLBURN LLP Applicants' Attorneys

By /Sean F. Sullivan/
Sean F. Sullivan
Registration No. 38,328
Customer No. 67232

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Address: 20 Church Street, 22nd Floor, Hartford, CT 06103

Telephone: (860) 286-2929